

**Fill in this information to identify your case:**

United States Bankruptcy Court for the:

SOUTHERN DISTRICT OF NEW YORK

Case number (if known) Chapter 11

☒ Check if this an  
amended filing

Official Form 201

**Voluntary Petition for Non-Individuals Filing for Bankruptcy**

04/20

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name Council For Aid To Education, Inc.

2. All other names debtor  
used in the last 8 years

Include any assumed  
names, trade names and  
doing business as names

3. Debtor's federal  
Employer Identification  
Number (EIN) 95-4570253

4. Debtor's address

Principal place of business

Mailing address, if different from principal place of  
business

1732 First Avenue  
New York, NY 10120-8000  
Number, Street, City, State & ZIP Code

P.O. Box, Number, Street, City, State & ZIP Code

New York  
County

Location of principal assets, if different from principal  
place of business

Number, Street, City, State & ZIP Code

5. Debtor's website (URL) www.CAE.org

6. Type of debtor

- ☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))  
☐ Partnership (excluding LLP)  
☐ Other. Specify:

Debtor Council For Aid To Education, Inc.  
Name

Case number (if known) \_\_\_\_\_

**7. Describe debtor's business** A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☒ None of the above

## B. Check all that apply

- ☒ Tax-exempt entity (as described in 26 U.S.C. § 501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

## C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.

See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.**8. Under which chapter of the Bankruptcy Code is the debtor filing?** Check one:

- ☐ Chapter 7
- ☐ Chapter 9
- ☒ Chapter 11. Check **all** that apply:

A debtor who is a "small business debtor" must check the first sub-box. A debtor as defined in § 1182(1) who elects to proceed under subchapter V of chapter 11 (whether or not the debtor is a "small business debtor") must check the second sub-box.

- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D), and its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,725,625. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☒ The debtor is a debtor as defined in 11 U.S.C. § 1182(1), its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$7,500,000, **and it chooses to proceed under Subchapter V of Chapter 11**. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return, or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**

- ☒ No.
- ☐ Yes.

If more than 2 cases, attach a separate list.

District	_____	When	_____	Case number	_____
District	_____	When	_____	Case number	_____

**10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?**

- ☒ No
- ☐ Yes.

List all cases. If more than 1, attach a separate list

Debtor	_____	Relationship	_____
District	_____	When	_____
		Case number, if known	_____

Debtor Council For Aid To Education, Inc. Case number (if known) \_\_\_\_\_  
Name

11. Why is the case filed in this district? Check all that apply:
- ☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention? ☒ No ☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

**Why does the property need immediate attention?** (Check all that apply.)

☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? \_\_\_\_\_

☐ It needs to be physically secured or protected from the weather.

☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

☐ Other \_\_\_\_\_

**Where is the property?** \_\_\_\_\_

Number, Street, City, State & ZIP Code

**Is the property insured?**

☐ No

☐ Yes. Insurance agency \_\_\_\_\_

Contact name \_\_\_\_\_

Phone \_\_\_\_\_

**Statistical and administrative information**

13. Debtor's estimation of available funds Check one:
- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors
- |  |  |  |
|--|--|--|
| <input checked="" type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000   | <input type="checkbox"/> 25,001-50,000     |
| <input type="checkbox"/> 50-99           | <input type="checkbox"/> 5001-10,000   | <input type="checkbox"/> 50,001-100,000    |
| <input type="checkbox"/> 100-199         | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999         |  |  |

15. Estimated Assets
- |  |  |  |
|--|--|--|
| <input type="checkbox"/> \$0 - \$50,000          | <input checked="" type="checkbox"/> \$1,000,001 - \$10 million | <input type="checkbox"/> \$500,000,001 - \$1 billion     |
| <input type="checkbox"/> \$50,001 - \$100,000    | <input type="checkbox"/> \$10,000,001 - \$50 million           | <input type="checkbox"/> \$1,000,000,001 - \$10 billion  |
| <input type="checkbox"/> \$100,001 - \$500,000   | <input type="checkbox"/> \$50,000,001 - \$100 million          | <input type="checkbox"/> \$10,000,000,001 - \$50 billion |
| <input type="checkbox"/> \$500,001 - \$1 million | <input type="checkbox"/> \$100,000,001 - \$500 million         | <input type="checkbox"/> More than \$50 billion          |

16. Estimated liabilities
- |  |  |  |
|--|--|--|
| <input type="checkbox"/> \$0 - \$50,000          | <input checked="" type="checkbox"/> \$1,000,001 - \$10 million | <input type="checkbox"/> \$500,000,001 - \$1 billion     |
| <input type="checkbox"/> \$50,001 - \$100,000    | <input type="checkbox"/> \$10,000,001 - \$50 million           | <input type="checkbox"/> \$1,000,000,001 - \$10 billion  |
| <input type="checkbox"/> \$100,001 - \$500,000   | <input type="checkbox"/> \$50,000,001 - \$100 million          | <input type="checkbox"/> \$10,000,000,001 - \$50 billion |
| <input type="checkbox"/> \$500,001 - \$1 million | <input type="checkbox"/> \$100,000,001 - \$500 million         | <input type="checkbox"/> More than \$50 billion          |

Debtor Council For Aid To Education, Inc.  
Name

Case number (if known) \_\_\_\_\_

**Request for Relief, Declaration, and Signatures**

**WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature  
of authorized  
representative of debtor**

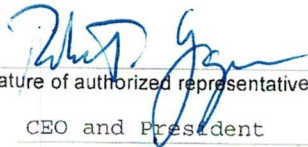
The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

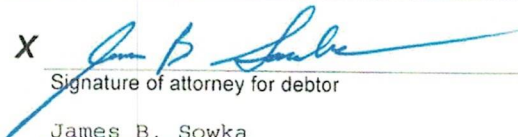
I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 30, 2021  
MM / DD / YYYY

X   
Signature of authorized representative of debtor  
Title CEO and President

Robert J. Yayac  
Printed name

**18. Signature of attorney**

X   
Signature of attorney for debtor

Date June 30, 2021  
MM / DD / YYYY

James B. Sowka  
Printed name

Seyfarth Shaw LLP  
Firm name

233 S. Wacker Drive  
Suite 8000  
Chicago, IL 60606  
Number, Street, City, State & ZIP Code

Contact phone 312-460-5000

Email address jsowka@seyfarth.com

6291998 IL  
Bar number and State

Conflict Counsel:

Jeffrey A. Cooper  
Rabinowitz, Lubetkin & Tully LLC  
293 Eisenhower Parkway, Suite 100  
Livingston, NJ 07039  
(973) 597-9100, ext. 118

Form **990**  
(Rev. January 2020)  
Department of the Treasury  
Internal Revenue Service

# Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

**2019**

Open to Public Inspection

Do not enter social security numbers on this form as it may be made public.

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

A For the 2019 calendar year, or tax year beginning **AUG 1, 2019** and ending **JUL 31, 2020**

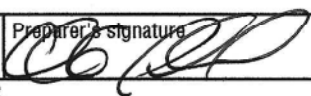
B Check if applicable:  <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization <b>COUNCIL FOR AID TO EDUCATION, INC.</b>		D Employer identification number <b>95-4570253</b>
	Doing business as		E Telephone number <b>212-661-5800</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ <b>4,240,600.</b>
	1732 1ST AVENUE, PMB 21535		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	City or town, state or province, country, and ZIP or foreign postal code <b>NEW YORK, NY 10128</b>		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
F Name and address of principal officer: <b>ROBERT YAYAC</b> <b>SAME AS C ABOVE</b>			H(c) Group exemption number
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: <b>WWW.CAE.ORG</b>			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other			L Year of formation: <b>2007</b>
			M State of legal domicile: <b>DE</b>

## Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <b>SEE SCHEDULE O</b>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	8
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	7
	5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	56
	6 Total number of volunteers (estimate if necessary)	6	7
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 39	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	0.	0.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	5,913,919.	4,236,588.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,196.	4,012.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0.	0.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	2,888,972.	1,654,843.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25)	0.	0.
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,229,443.	3,356,636.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	6,118,415.	5,011,479.	
19 Revenue less expenses. Subtract line 18 from line 12	-199,300.	-770,879.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	2,405,028.	2,124,682.
	22 Net assets or fund balances. Subtract line 21 from line 20	2,136,764.	2,627,297.
		268,264.	-502,615.

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date
	<b>INGMAR BERG, CFO</b> Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name <b>CHRISTOPHER M. PEKULA</b>	Preparer's signature 
	Firm's name <b>KREISCHER MILLER</b>	Date <b>12/14/2020</b>
	Firm's address <b>100 WITMER ROAD, SUITE 350 HORSHAM, PA 19044-2369</b>	Check if self-employed <input type="checkbox"/> PTIN <b>P00734965</b>
		Firm's EIN <b>23-1980475</b>
		Phone no. (215) 441-4600

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

Form 990 (2019)

COUNCIL FOR AID TO EDUCATION, INC.

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**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III

- 1** Briefly describe the organization's mission:  
**TO ADVANCE OPPORTUNITIES FOR A QUALITY EDUCATION BY CONDUCTING EDUCATION POLICY RESEARCH, DISSEMINATING INFORMATION BASED ON THIS RESEARCH, AND PROVIDING ASSESSMENTS AND OTHER SERVICES TO HELP PROMOTE TEACHING AND LEARNING IN THE 21ST CENTURY.**
- 2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? **Yes** ☒ **No**  
If "Yes," describe these new services on Schedule O.
- 3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? **Yes** ☒ **No**  
If "Yes," describe these changes on Schedule O.
- 4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.
- 4a** (Code: ) (Expenses \$ **2,644,955.** including grants of \$ ) (Revenue \$ **3,124,655.**)  
**CAE CONDUCTS RESEARCH AND CREATES INNOVATIVE ASSESSMENTS WITH FUNDING FROM PRIVATE FOUNDATIONS, INDIVIDUALS, UNIVERSITIES AND CORPORATIONS FOCUSED ON EDUCATION POLICY AND ANALYSIS OF EDUCATION ISSUES. THE RESEARCH SPURS IMPROVEMENT AND VALIDATION OF CAE'S OWN ASSESSMENTS AND ALLOWS FOR SHARING KNOWLEDGE WITH EDUCATIONAL STAKEHOLDERS.**
- 4b** (Code: ) (Expenses \$ **1,686,125.** including grants of \$ ) (Revenue \$ **1,111,933.**)  
**USING ITS UNIQUE ASSESSMENTS, CAE HELPS COLLEGES, UNIVERSITIES AND HIGH SCHOOLS TO MEASURE CRITICAL THINKING AND WRITTEN COMMUNICATION SKILLS. IN FY 2019, 181 INSTITUTIONS PARTICIPATED IN THE ASSESSMENTS WHICH PROVIDED TEST DEVELOPMENT, TEST ADMINISTRATION, SCORING AND RESULTS ANALYSIS.**
- 4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )
- 4d** Other program services (Describe on Schedule O.)  
(Expenses \$ including grants of \$ ) (Revenue \$ )
- 4e** Total program service expenses **4,331,080.**

Form **990** (2019)

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	<b>1</b> X	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	<b>2</b>	X
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	<b>3</b>	X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	<b>4</b>	X
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<b>5</b>	X
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	<b>6</b>	X
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<b>8</b>	X
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	<b>9</b>	X
<b>10</b> Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>	<b>10</b>	X
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	<b>11a</b> X	
<b>b</b> Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	<b>11b</b>	X
<b>c</b> Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	<b>11c</b>	X
<b>d</b> Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	<b>11d</b>	X
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<b>11e</b> X	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	<b>11f</b> X	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	<b>12a</b>	X
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	<b>12b</b> X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<b>14a</b> X	
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	<b>14b</b> X	
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	<b>15</b>	X
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	<b>16</b>	X
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	<b>17</b>	X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<b>18</b>	X
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<b>19</b>	X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<b>20a</b>	X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<b>20b</b>	
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<b>21</b>	X

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COUNCIL FOR AID TO EDUCATION, INC.

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**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
<b>24d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
<b>25b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
<b>26</b> Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II		X
<b>27</b> Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):		
<b>28a</b> A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV		X
<b>28b</b> A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV		X
<b>28c</b> A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	X	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
<b>35b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	X	
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V

	Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
<b>1b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
<b>1c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	



**Part V** Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b> 56		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	<b>2b</b>	X	
<b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?	<b>3a</b>		X
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	<b>3b</b>		
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>4a</b>		X
<b>b</b> If "Yes," enter the name of the foreign country			
See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>		X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>		X
<b>c</b> If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	<b>6a</b>		X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>			
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<b>7a</b>		X
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>		X
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>		X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>		
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>		
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>		
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	<b>8</b>		
<b>9 Sponsoring organizations maintaining donor advised funds.</b>			
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966?	<b>9a</b>		
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>		
<b>10 Section 501(c)(7) organizations.</b> Enter:			
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>		
<b>11 Section 501(c)(12) organizations.</b> Enter:			
<b>a</b> Gross income from members or shareholders	<b>11a</b>		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>			
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state?	<b>13a</b>		
<b>Note:</b> See the instructions for additional information the organization must report on Schedule O.			
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>		
<b>c</b> Enter the amount of reserves on hand	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>		X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	<b>14b</b>		
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	<b>15</b>		X
If "Yes," see instructions and file Form 4720, Schedule N.			
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	<b>16</b>		X
If "Yes," complete Form 4720, Schedule O.			

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**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

X

**Section A. Governing Body and Management**

	Yes	No
<b>1a</b> Enter the number of voting members of the governing body at the end of the tax year ..... <b>1a</b> 8		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
<b>b</b> Enter the number of voting members included on line 1a, above, who are independent ..... <b>1b</b> 7		
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? .....	2	X
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? .....	3	X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? .....	4	X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? .....	5	X
<b>6</b> Did the organization have members or stockholders? .....	6	X
<b>7a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? .....	7a	X
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? .....	7b	X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body? .....	8a	X
<b>b</b> Each committee with authority to act on behalf of the governing body? .....	8b	X
<b>9</b> Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O .....	9	X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates? .....	10a	X
<b>b</b> If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? .....	10b	
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? .....	11a	X
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13 .....	12a	X
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? .....	12b	X
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done .....	12c	X
<b>13</b> Did the organization have a written whistleblower policy? .....	13	X
<b>14</b> Did the organization have a written document retention and destruction policy? .....	14	X
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official .....	15a	X
<b>b</b> Other officers or key employees of the organization .....	15b	X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? .....	16a	X
<b>b</b> If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? .....	16b	

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed **►NY**

**18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

Own website      Another's website      **X** Upon request      Other (explain on Schedule O)

**19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, address, and telephone number of the person who possesses the organization's books and records **►**

**THE ORGANIZATION - 212-661-5800**  
**1732 1ST AVENUE, PMB 21535, NEW YORK, NY 10128**

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**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations. See instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ROBERT YAYAC PRESIDENT AND CEO	40.00	X		X				84,000.	0.	0.
(2) MICHAEL D. RICH TRUSTEE	0.50	X						0.	0.	0.
(3) EDUARDO J. MARTI, PH.D. TRUSTEE	0.50	X						0.	0.	0.
(4) DENNIS BROWN TRUSTEE	0.50	X						0.	0.	0.
(5) MICHAEL FEUER, PH.D. TRUSTEE	0.50	X						0.	0.	0.
(6) DIANE FERGUSON TRUSTEE	0.50	X						0.	0.	0.
(7) RICHARD ATKINSON TRUSTEE (RESIGNED)	0.50	X						0.	0.	0.
(8) RICHARD FOSTER TRUSTEE (RESIGNED)	0.50	X						0.	0.	0.
(9) ROGER BENJAMIN FORMER PRESIDENT	40.00	X		X				227,264.	0.	5,034.
(10) DORIS ZAHNER CHIEF ACADEMIC OFFICER	40.00				X			178,545.	0.	7,093.
(11) JAMES HUNDLEY FORMER VICE PRESIDENT	40.00				X			223,816.	0.	7,318.
(12) MICHELE OBERLY DIRECTOR OF TEST DEVELOPMENT	40.00					X		118,701.	0.	4,608.
(13) STACEY SPARKS EDITORIAL DIRECTOR	40.00					X		142,727.	0.	7,387.
(14) THOMAS J. PUPPA FORMER GENERAL COUNSEL	40.00					X		214,674.	0.	0.



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**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

				(A)	(B)	(C)	(D)
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b>	Federated campaigns	<b>1a</b>				
	<b>b</b>	Membership dues	<b>1b</b>				
	<b>c</b>	Fundraising events	<b>1c</b>				
	<b>d</b>	Related organizations	<b>1d</b>				
	<b>e</b>	Government grants (contributions)	<b>1e</b>				
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>				
	<b>g</b>	Noncash contributions included in lines 1a-1f	<b>1g</b>	\$			
	<b>h</b>	<b>Total.</b> Add lines 1a-1f					
<b>Program Service Revenue</b>	<b>2 a</b>	<b>FEEES AND CONTRACTS</b>	<b>Business Code</b>				
			611710	3,124,655.	3,124,655.		
	<b>b</b>	<b>TESTING FEES</b>	611710	1,111,933.	1,111,933.		
	<b>c</b>						
	<b>d</b>						
	<b>e</b>						
	<b>f</b>	All other program service revenue					
	<b>g</b>	<b>Total.</b> Add lines 2a-2f		4,236,588.			
<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest, and other similar amounts)		4,012.			4,012.
	<b>4</b>	Income from investment of tax-exempt bond proceeds					
	<b>5</b>	Royalties					
	<b>6 a</b>	Gross rents	(i) Real (ii) Personal				
	<b>b</b>	Less: rental expenses					
	<b>c</b>	Rental income or (loss)					
	<b>d</b>	Net rental income or (loss)					
	<b>7 a</b>	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	<b>b</b>	Less: cost or other basis and sales expenses					
	<b>c</b>	Gain or (loss)					
	<b>d</b>	Net gain or (loss)					
	<b>8 a</b>	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18					
	<b>b</b>	Less: direct expenses					
	<b>c</b>	Net income or (loss) from fundraising events					
	<b>9 a</b>	Gross income from gaming activities. See Part IV, line 19					
	<b>b</b>	Less: direct expenses					
	<b>c</b>	Net income or (loss) from gaming activities					
	<b>10 a</b>	Gross sales of inventory, less returns and allowances					
<b>b</b>	Less: cost of goods sold						
<b>c</b>	Net income or (loss) from sales of inventory						
<b>Miscellaneous Revenue</b>	<b>11 a</b>		<b>Business Code</b>				
	<b>b</b>						
	<b>c</b>						
	<b>d</b>	All other revenue					
	<b>e</b>	<b>Total.</b> Add lines 11a-11d					
	<b>12</b>	<b>Total revenue.</b> See instructions		4,240,600.	4,236,588.	0.	4,012.

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**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX **X**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>				
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
<b>4</b> Benefits paid to or for members				
<b>5</b> Compensation of current officers, directors, trustees, and key employees	514,545.	481,690.	32,855.	
<b>6</b> Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>7</b> Other salaries and wages	799,358.	748,316.	51,042.	
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
<b>9</b> Other employee benefits	240,879.	214,186.	26,693.	
<b>10</b> Payroll taxes	100,061.	95,110.	4,951.	
<b>11</b> Fees for services (nonemployees):				
<b>a</b> Management				
<b>b</b> Legal	131,157.	76,661.	54,496.	
<b>c</b> Accounting	8,800.	5,144.	3,656.	
<b>d</b> Lobbying				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees				
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	2,273,917.	2,017,199.	256,718.	
<b>12</b> Advertising and promotion	436.	341.	95.	
<b>13</b> Office expenses	152,703.	102,768.	49,935.	
<b>14</b> Information technology				
<b>15</b> Royalties				
<b>16</b> Occupancy	395,340.	230,502.	164,838.	
<b>17</b> Travel	52,158.	42,735.	9,423.	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	33,539.	28,399.	5,140.	
<b>20</b> Interest	3,581.	2,088.	1,493.	
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	97,135.	89,962.	7,173.	
<b>23</b> Insurance	30,505.	18,614.	11,891.	
<b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> TESTING OPERATIONS	177,365.	177,365.		
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b> All other expenses				
<b>25</b> Total functional expenses. Add lines 1 through 24e	5,011,479.	4,331,080.	680,399.	0.
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ if following SOP 98-2 (ASC 958-720)

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	300.	<b>1</b>	159,758.
	<b>2</b> Savings and temporary cash investments .....	1,463,882.	<b>2</b>	484,463.
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....	695,855.	<b>4</b>	1,317,654.
	<b>5</b> Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges .....	71,888.	<b>9</b>	33,873.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 979,434.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 852,135.		
		171,468.	<b>10c</b>	127,299.
	<b>11</b> Investments - publicly traded securities .....		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11 .....		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>	
	<b>14</b> Intangible assets .....		<b>14</b>	
<b>15</b> Other assets. See Part IV, line 11 .....	1,635.	<b>15</b>	1,635.	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 33) .....	2,405,028.	<b>16</b>	2,124,682.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	598,574.	<b>17</b>	811,217.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	1,327,259.	<b>19</b>	1,165,905.
	<b>20</b> Tax-exempt bond liabilities .....		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	210,931.	<b>25</b>	650,175.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	2,136,764.	<b>26</b>	2,627,297.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>X</b> <b>and complete lines 27, 28, 32, and 33.</b>			
	<b>27</b> Net assets without donor restrictions .....	268,264.	<b>27</b>	-502,615.
	<b>28</b> Net assets with donor restrictions .....		<b>28</b>	
	<b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>			
	<b>29</b> Capital stock or trust principal, or current funds .....		<b>29</b>	
	<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>30</b>	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>31</b>	
	<b>32</b> <b>Total net assets or fund balances</b> .....	268,264.	<b>32</b>	-502,615.
	<b>33</b> <b>Total liabilities and net assets/fund balances</b> .....	2,405,028.	<b>33</b>	2,124,682.

Form 990 (2019)

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COUNCIL FOR AID TO EDUCATION, INC.

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**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	4,240,600.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	5,011,479.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	-770,879.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	<b>4</b>	268,264.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain on Schedule O)	<b>9</b>	0.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	<b>10</b>	-502,615.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

X

	Yes	No
<b>1</b> Accounting method used to prepare the Form 990: Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other <input type="checkbox"/> If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
<b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis <input type="checkbox"/>	X	
<b>b</b> Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis <input type="checkbox"/>		X
<b>c</b> If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
<b>3a</b> As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
<b>b</b> If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits		

Form 990 (2019)



**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

## Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

2019

**Open to Public Inspection**

Name of the organization

COUNCIL FOR AID TO EDUCATION, INC.

Employer identification number  
95-4570253

<b>Part I</b>	<b>Reason for Public Charity Status</b> (All organizations must complete this part.) See instructions.
---------------	--

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
  - 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
  - 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
  - 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
  - 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
  - 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
  - 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
  - 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
  - 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: \_\_\_\_\_
  - 10 **X** An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
  - 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
  - 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
    - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
    - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
    - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
    - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
    - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
    - f Enter the number of supported organizations \_\_\_\_\_
    - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>7</b> Amounts from line 4 .....						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f)) .....	14	%
<b>15</b> Public support percentage from 2018 Schedule A, Part II, line 14 .....	15	%
<b>16a 33 1/3% support test - 2019.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		
<b>b 33 1/3% support test - 2018.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		
<b>17a 10% -facts-and-circumstances test - 2019.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		
<b>b 10% -facts-and-circumstances test - 2018.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		

Schedule A (Form 990 or 990-EZ) 2019

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....	6763350.	5166186.	6681134.	5913919.	4236588.	28761177.
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....	6763350.	5166186.	6681134.	5913919.	4236588.	28761177.
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						0.
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....	3353532.	2178674.	3492211.	3839559.	3317118.	16181094.
<b>c</b> Add lines 7a and 7b .....	3353532.	2178674.	3492211.	3839559.	3317118.	16181094.
<b>8 Public support.</b> (Subtract line 7c from line 6.) .....						12580083.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>9</b> Amounts from line 6 .....	6763350.	5166186.	6681134.	5913919.	4236588.	28761177.
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....	790.	725.	877.	5,196.	4,012.	11,600.
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....	790.	725.	877.	5,196.	4,012.	11,600.
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) .....	6764140.	5166911.	6682011.	5919115.	4240600.	28772777.

**14 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f)) .....	<b>15</b>	43.72 %
<b>16</b> Public support percentage from 2018 Schedule A, Part III, line 15 .....	<b>16</b>	51.81 %

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f)) .....	<b>17</b>	.04 %
<b>18</b> Investment income percentage from 2018 Schedule A, Part III, line 17 .....	<b>18</b>	.01 %

**19a 33 1/3% support tests - 2019.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ▶ **X****b 33 1/3% support tests - 2018.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ▶**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶

**Part IV Supporting Organizations**

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
<b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in <b>Part VI</b> when and how the organization made the determination.		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
<b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in <b>Part VI</b> what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in <b>Part VI</b> , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).		
<b>b</b> <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c</b> <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in <b>Part VI</b> .		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		
<b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in <b>Part VI</b> .		
<b>b</b> Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in <b>Part VI</b> .		
<b>c</b> Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in <b>Part VI</b> .		
<b>10a</b> Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer 10b below.		
<b>b</b> Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

**Part IV Supporting Organizations** (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>11a</b>		
<b>b</b> A family member of a person described in (a) above?		
<b>11b</b>		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in <b>Part VI</b> .		
<b>11c</b>		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in <b>Part VI</b> how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
<b>1</b>		
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
<b>2</b>		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
<b>1</b>		

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
<b>1</b>		
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>2</b>		
<b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.		
<b>3</b>		

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
<b>a</b> The organization satisfied the Activities Test. Complete line 2 below.			
<b>b</b> The organization is the parent of each of its supported organizations. Complete line 3 below.			
<b>c</b> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a government entity (see instructions).			
<b>2</b> Activities Test. Answer (a) and (b) below.			
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in <b>Part VI</b> identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
<b>2a</b>			
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
<b>2b</b>			
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.			
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in <b>Part VI</b> .			
<b>3a</b>			
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in <b>Part VI</b> the role played by the organization in this regard.			
<b>3b</b>			

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

- 1** Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
<b>1</b> Net short-term capital gain	<b>1</b>		
<b>2</b> Recoveries of prior-year distributions	<b>2</b>		
<b>3</b> Other gross income (see instructions)	<b>3</b>		
<b>4</b> Add lines 1 through 3.	<b>4</b>		
<b>5</b> Depreciation and depletion	<b>5</b>		
<b>6</b> Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>		
<b>7</b> Other expenses (see instructions)	<b>7</b>		
<b>8 Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)	<b>8</b>		

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
<b>1</b> Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
<b>a</b> Average monthly value of securities	<b>1a</b>		
<b>b</b> Average monthly cash balances	<b>1b</b>		
<b>c</b> Fair market value of other non-exempt-use assets	<b>1c</b>		
<b>d Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>		
<b>e Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):			
<b>2</b> Acquisition indebtedness applicable to non-exempt-use assets	<b>2</b>		
<b>3</b> Subtract line 2 from line 1d.	<b>3</b>		
<b>4</b> Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	<b>4</b>		
<b>5</b> Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>		
<b>6</b> Multiply line 5 by .035.	<b>6</b>		
<b>7</b> Recoveries of prior-year distributions	<b>7</b>		
<b>8 Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>		

Section C - Distributable Amount			Current Year
<b>1</b> Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>		
<b>2</b> Enter 85% of line 1.	<b>2</b>		
<b>3</b> Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>		
<b>4</b> Enter greater of line 2 or line 3.	<b>4</b>		
<b>5</b> Income tax imposed in prior year	<b>5</b>		
<b>6 Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	<b>6</b>		
<b>7</b> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).			

Schedule A (Form 990 or 990-EZ) 2019

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)

<b>Section D - Distributions</b>		<b>Current Year</b>
<b>1</b>	Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b>	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b>	Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b>	Amounts paid to acquire exempt-use assets	
<b>5</b>	Qualified set-aside amounts (prior IRS approval required)	
<b>6</b>	Other distributions (describe in <b>Part VI</b> ). See instructions.	
<b>7</b>	<b>Total annual distributions.</b> Add lines 1 through 6.	
<b>8</b>	Distributions to attentive supported organizations to which the organization is responsive (provide details in <b>Part VI</b> ). See instructions.	
<b>9</b>	Distributable amount for 2019 from Section C, line 6	
<b>10</b>	Line 8 amount divided by line 9 amount	

<b>Section E - Distribution Allocations</b> (see instructions)	<b>(i) Excess Distributions</b>	<b>(ii) Underdistributions Pre-2019</b>	<b>(iii) Distributable Amount for 2019</b>
<b>1</b> Distributable amount for 2019 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2019 (reasonable cause required- explain in <b>Part VI</b> ). See instructions.			
<b>3</b> Excess distributions carryover, if any, to 2019			
<b>a</b> From 2014			
<b>b</b> From 2015			
<b>c</b> From 2016			
<b>d</b> From 2017			
<b>e</b> From 2018			
<b>f</b> <b>Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2019 distributable amount			
<b>i</b> Carryover from 2014 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
<b>4</b> Distributions for 2019 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2019 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from 4.			
<b>5</b> Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in <b>Part VI</b> . See instructions.			
<b>6</b> Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in <b>Part VI</b> . See instructions.			
<b>7</b> <b>Excess distributions carryover to 2020.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b> Excess from 2015			
<b>b</b> Excess from 2016			
<b>c</b> Excess from 2017			
<b>d</b> Excess from 2018			
<b>e</b> Excess from 2019			

Schedule A (Form 990 or 990-EZ) 2019





**SCHEDULE D**  
(Form 990)Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes" on Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019**Open to Public  
Inspection

Name of the organization

COUNCIL FOR AID TO EDUCATION, INC.

Employer identification number

95-4570253

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....		
2 Aggregate value of contributions to (during year) .....		
3 Aggregate value of grants from (during year) .....		
4 Aggregate value at end of year .....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? .....	Yes	No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? .....	Yes	No

**Part II Conservation Easements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (for example, recreation or education)	Preservation of a historically important land area
Protection of natural habitat	Preservation of a certified historic structure
Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements .....	2a
b Total acreage restricted by conservation easements .....	2b
c Number of conservation easements on a certified historic structure included in (a) .....	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register .....	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ .....

4 Number of states where property subject to conservation easement is located ▶ .....

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ .....

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ .....

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? .....

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 .....

(ii) Assets included in Form 990, Part X .....

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 .....

b Assets included in Form 990, Part X .....

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2019

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

**3** Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a** Public exhibition **d** Loan or exchange program  
**b** Scholarly research **e** Other \_\_\_\_\_  
**c** Preservation for future generations

**4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

**5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets

to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

**1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

**b** If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
<b>c</b> Beginning balance	<b>1c</b>
<b>d</b> Additions during the year	<b>1d</b>
<b>e</b> Distributions during the year	<b>1e</b>
<b>f</b> Ending balance	<b>1f</b>

**2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No

**b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

**Part V Endowment Funds.** Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance					
<b>b</b> Contributions					
<b>c</b> Net investment earnings, gains, and losses					
<b>d</b> Grants or scholarships					
<b>e</b> Other expenditures for facilities and programs					
<b>f</b> Administrative expenses					
<b>g</b> End of year balance					

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment %  
**b** Permanent endowment %  
**c** Term endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) Unrelated organizations  
(ii) Related organizations

	Yes	No
<b>3a(i)</b>		
<b>3a(ii)</b>		
<b>3b</b>		

**b** If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

**4** Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land				
<b>b</b> Buildings				
<b>c</b> Leasehold improvements		45,415.	34,060.	11,355.
<b>d</b> Equipment		375,717.	354,088.	21,629.
<b>e</b> Other		558,302.	463,987.	94,315.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				127,299.

Schedule D (Form 990) 2019

Schedule D (Form 990) 2019

COUNCIL FOR AID TO EDUCATION, INC.

95-4570253 Page 3

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely held equity interests .....		
(3) Other .....		
(A) .....		
(B) .....		
(C) .....		
(D) .....		
(E) .....		
(F) .....		
(G) .....		
(H) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) .....		
(2) .....		
(3) .....		
(4) .....		
(5) .....		
(6) .....		
(7) .....		
(8) .....		
(9) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) .....	
(2) .....	
(3) .....	
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) OFFICE LEASE	163,975.
(3) PAYCHECK PROTECTION PROGRAM LOAN	486,200.
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	650,175.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII... **X**

Schedule D (Form 990) 2019

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements		<b>1</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains (losses) on investments	<b>2a</b>	
<b>b</b>	Donated services and use of facilities	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>		<b>2e</b>
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>		<b>3</b>
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>		<b>4c</b>
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.)		<b>5</b>

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements		<b>1</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
<b>a</b>	Donated services and use of facilities	<b>2a</b>	
<b>b</b>	Prior year adjustments	<b>2b</b>	
<b>c</b>	Other losses	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>		<b>2e</b>
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>		<b>3</b>
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>		<b>4c</b>
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.)		<b>5</b>

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART X, LINE 2:**

CAE IS AN ORGANIZATION RECOGNIZED AS EXEMPT FROM FEDERAL AND STATE INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND SIMILAR STATE STATUTES. NO PROVISION FOR INCOME TAXES HAS BEEN REFLECTED IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS.

AI WAS A DELAWARE LIMITED LIABILITY COMPANY THAT IS WHOLLY-OWNED BY CAE. AI HAS ELECTED TO BE TREATED AS A TAXABLE CORPORATION FOR INCOME TAX PURPOSES. AS OF JULY 31, 2019, AI HAD FEDERAL ACCUMULATED TAX LOSS CARRYFORWARD IN THE AMOUNT OF \$1,380,000. MANAGEMENT EXPECTS TO FILE A FINAL RETURN FOR FISCAL YEAR 2020 SUBSEQUENT TO THE DATE OF THE ACCOUNTANTS' REPORT.

**Part XIII** Supplemental Information (continued)

FOR THE YEAR ENDED JULY 31, 2020, CAE AND AI DID NOT IDENTIFY ANY  
UNCERTAIN TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN, WHICH WOULD REQUIRE  
ADJUSTMENTS OR DISCLOSURE IN THE CONSOLIDATED FINANCIAL STATEMENTS. BOTH  
CAE AND AI ARE POTENTIALLY SUBJECT TO FEDERAL, STATE AND LOCAL  
EXAMINATIONS FOR YEARS SUBSEQUENT TO JULY 31, 2016.

**SCHEDULE F  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Statement of Activities Outside the United States**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019****Open to Public  
Inspection**

Name of the organization

COUNCIL FOR AID TO EDUCATION, INC.

Employer identification number

95-4570253

**Part I General Information on Activities Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 14b.**1 For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ..... **Yes** **No****2 For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.**3 Activities per Region.** (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in the region	(d) Activities conducted in the region (by type) (such as, fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in the region	(f) Total expenditures for and investments in the region
LATIN AMERICA		1	SALES ACTIVITIES TARGETING UNIVERSITIES	ASSESSMENT PRODUCTS	41,481.
AUSTRALIA		1	SALES ACTIVITIES TARGETING UNIVERSITIES	ASSESSMENT PRODUCTS	18,000.
<b>3 a Subtotal</b> .....	0	2			59,481.
<b>b Total from continuation sheets to Part I</b> .....	0	0			0.
<b>c Totals</b> (add lines 3a and 3b) .....	0	2			59,481.

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Schedule F (Form 990) 2019



(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of noncash assistance	(g) Description of noncash assistance	(h) Method of valuation (book, FMV, appraisal, other)



**Part IV Foreign Forms**

- 1** Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ..... **Yes** **X** **No**
- 2** Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; don't file with Form 990)* ..... **Yes** **X** **No**
- 3** Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations (see Instructions for Form 5471)* ..... **Yes** **X** **No**
- 4** Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* ..... **Yes** **X** **No**
- 5** Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* ..... **Yes** **X** **No**
- 6** Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713; don't file with Form 990)* ..... **Yes** **X** **No**

Schedule F (Form 990) 2019



**SCHEDULE J  
(Form 990)****Compensation Information**

OMB No. 1545-0047

**2019**Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue Service

- For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
- ▶ Attach to Form 990.
- ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Name of the organization

COUNCIL FOR AID TO EDUCATION, INC.

Employer identification number

95-4570253

**Part I Questions Regarding Compensation**

- 1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

First-class or charter travel

Housing allowance or residence for personal use

Travel for companions

Payments for business use of personal residence

Tax indemnification and gross-up payments

Health or social club dues or initiation fees

Discretionary spending account

Personal services (such as maid, chauffeur, chef)

- b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

- 2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

- 3** Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

Compensation committee

Written employment contract

Independent compensation consultant

Compensation survey or study

☒ Form 990 of other organizations☒ Approval by the board or compensation committee

- 4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?

- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?

- c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

- 5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?

- b** Any related organization?

If "Yes" on line 5a or 5b, describe in Part III.

- 6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?

- b** Any related organization?

If "Yes" on line 6a or 6b, describe in Part III.

- 7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

- 8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

- 9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2019

<b>Part II</b>	<b>Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.</b> Use duplicate copies if additional space is needed.
----------------	---

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

**Note:** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

[illegible]

<b>Part III</b>	<b>Supplemental Information</b>
-----------------	---------------------------------

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

[illegible]

**SCHEDULE O**  
**(Form 990 or 990-EZ)**Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**Open to Public  
Inspection

Name of the organization

COUNCIL FOR AID TO EDUCATION, INC.

Employer identification number  
95-4570253

FORM 990, PART I, LINE I, DESCRIPTION OF ORGANIZATION MISSION:

TO ADVANCE OPPORTUNITIES FOR A QUALITY EDUCATION BY CONDUCTING  
EDUCATION POLICY RESEARCH, DISSEMINATING INFORMATION BASED ON THIS  
RESEARCH, AND PROVIDING ASSESSMENTS AND OTHER SERVICES TO HELP PROMOTE  
TEACHING AND LEARNING IN THE 21ST CENTURY.

FORM 990, PART VI, SECTION A, LINE 3:

THE FOLLOWING COMPANY/PERSONS PERFORMED MANAGEMENT DUTIES ON BEHALF OF CAE  
DURING THE FISCAL YEAR: BUZ DEV CONSULTING - CEO, SUDDENLY ORANGE - CTO,  
AND INGMAR BERG - CFO

FORM 990, PART VI, SECTION B, LINE 11B:

THE 990 IS PREPARED BY THE INDEPENDENT AUDITORS AND ASSISTED BY THE  
ORGANIZATION'S STAFF. THE 990 IS REVIEWED BY THE AUDIT COMMITTEE BEFORE IT  
IS SUBMITTED. A COPY OF THE REPORT IS ALSO PROVIDED TO ALL MEMBERS OF THE  
BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION B, LINE 12C:

ALL CANDIDATES FOR MEMBERSHIP ON THE BOARD, OFFICERS, AND STAFF MEMBERS ARE  
ADVISED IN WRITING OF THE CONFLICT OF INTEREST POLICY PRIOR TO ASSUMING  
THEIR RESPONSIBILITIES. THEY MUST REVEAL POTENTIAL CONFLICTS AND REQUEST  
THE BOARD TO MAKE A DETERMINATION. NO DIRECTOR MAY VOTE ON ANY MATTER UNDER  
CONSIDERATION AT A BOARD OR BOARD COMMITTEE MEETING IN WHICH SUCH DIRECTOR  
HAS AN ACTUAL CONFLICT OF INTEREST.

Schedule O (Form 990 or 990-EZ) (2019)

Page 2

Name of the organization

COUNCIL FOR AID TO EDUCATION, INC.

Employer identification number

95-4570253

FORM 990, PART VI, SECTION C, LINE 19:

THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE MADE AVAILABLE UPON REQUEST.

FORM 990, PART IX, LINE 11G, OTHER FEES:

SUBCONTRACTORS:

PROGRAM SERVICE EXPENSES 2,017,199.

MANAGEMENT AND GENERAL EXPENSES 256,718.

FUNDRAISING EXPENSES 0.

TOTAL EXPENSES 2,273,917.

TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A 2,273,917.

FORM 990, PART XII, LINE 2C

NO CHANGE FROM THE PRIOR YEAR.

## Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

COUNCIL FOR AID TO EDUCATION, INC.

**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

[illegible]

**Part II** Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

[illegible]

**For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule R (Form 990) 2019



**Part III** Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

[illegible]

**Part IV**  
**Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

[illegible]

**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
<b>a</b> Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
<b>b</b> Gift, grant, or capital contribution to related organization(s)		X
<b>c</b> Gift, grant, or capital contribution from related organization(s)		X
<b>d</b> Loans or loan guarantees to or for related organization(s)		X
<b>e</b> Loans or loan guarantees by related organization(s)		X
<b>f</b> Dividends from related organization(s)		X
<b>g</b> Sale of assets to related organization(s)		X
<b>h</b> Purchase of assets from related organization(s)		X
<b>i</b> Exchange of assets with related organization(s)		X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s)		X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s)		X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s)		X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s)		X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
<b>o</b> Sharing of paid employees with related organization(s)		X
<b>p</b> Reimbursement paid to related organization(s) for expenses		X
<b>q</b> Reimbursement paid by related organization(s) for expenses		X
<b>r</b> Other transfer of cash or property to related organization(s)		
<b>s</b> Other transfer of cash or property from related organization(s)	X	

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) ASSESSMENT INTERNATIONAL, LLC	R	1,379,553.CASH	
(2) ASSESSMENT INTERNATIONAL, LLC	S	1,379,553.CASH	
(3)			
(4)			
(5)			
(6)			

**Part VI** **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

**COUNCIL FOR AID TO  
EDUCATION, INC.**

**Consolidated Financial Statements**  
**July 31, 2020 and 2019**

Kreischer  
Miller

PEOPLE | IDEAS | SOLUTIONS

**COUNCIL FOR AID TO EDUCATION, INC.**

**July 31, 2020 and 2019**

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

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PEOPLE | IDEAS | SOLUTIONS

Kreischer Miller LLP, Certified Public Accountants  
100 Witmer Road, Suite 350, Horsham, PA 19044-2369  
215-441-4600 ■ fax: 215-672-8224 ■ [www.kmco.com](http://www.kmco.com)

## Independent Accountants' Compilation Report

The Board of Trustees  
Council for Aid to Education, Inc.  
New York, New York

Management is responsible for the accompanying consolidated financial statements of Council for Aid to Education, Inc., which comprise the consolidated statement of financial position as of July 31, 2020 and related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the consolidated financial statements, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these consolidated financial statements.

The consolidated financial statements of Council for Aid to Education, Inc. as of July 31, 2019 were compiled by other accountants whose report dated November 15, 2019, stated that they have not audited or reviewed the July 31, 2019 consolidated financial statements and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance about whether the consolidated financial statements are in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Kreischer Miller".

Horsham, Pennsylvania  
October 14, 2020

**COUNCIL FOR AID TO EDUCATION, INC.**

**Consolidated Statements of Financial Position**  
**July 31, 2020 and 2019**

	2020	2019
<b>ASSETS</b>		
Current assets:		
Cash	\$ 644,221	\$ 1,464,182
Accounts receivable	1,317,654	648,695
Contract receivable	-	47,160
Prepaid expenses	33,873	71,888
Total current assets	1,995,748	2,231,925
Property and equipment, net	127,299	171,468
Security deposit	1,635	1,635
	<u>\$ 2,124,682</u>	<u>\$ 2,405,028</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 811,217	\$ 598,574
Deferred revenue	1,165,905	1,327,259
Paycheck Protection Program loan, current portion	213,831	-
Total current liabilities	2,190,953	1,925,833
Accrued lease expense	163,975	210,931
Paycheck Protection Program loan, net of current portion	272,369	-
Total liabilities	2,627,297	2,136,764
Net assets (deficit) without donor restrictions	(502,615)	268,264
	<u>\$ 2,124,682</u>	<u>\$ 2,405,028</u>

See accompanying notes to consolidated financial statements.

**COUNCIL FOR AID TO EDUCATION, INC.**

**Consolidated Statements of Activities**  
**Years Ended July 31, 2020 and 2019**

	2020	2019
Support and revenue		
Custom assessments	\$ 3,124,655	\$ 3,966,116
Standard assessments	1,111,933	1,947,803
Assessment International	-	40,093
Other income	4,012	5,196
Total support and revenue	4,240,600	5,959,208
Expenses		
Program services		
Custom assessments	2,644,955	2,536,324
Standard assessments	1,686,125	1,646,916
Assessment International	-	3,330
Total program services	4,331,080	4,186,570
Supporting services		
CAE: management and general	680,399	1,935,175
AI: management and general	-	711,256
Total expenses	5,011,479	6,833,001
Change in net assets	(770,879)	(873,793)
Net assets without donor restrictions, beginning of year	268,264	1,142,057
Net assets (deficit) without donor restrictions, end of year	\$ (502,615)	\$ 268,264

See accompanying notes to consolidated financial statements.



**COUNCIL FOR AID TO EDUCATION, INC.**

**Consolidated Statements of Functional Expenses  
Year Ended July 31, 2020**

	Program Services		Supporting Services		
	Custom Assessments	Standard Assessments	CAE	Total	
Salaries	\$ 606,254	\$ 623,752	\$ 83,897	\$ 1,313,903	
Employee Benefits	124,166	90,020	26,693	240,879	
Payroll taxes	50,152	44,958	4,951	100,061	
Professional fees	39,919	41,886	58,152	139,957	
Office expenses	45,342	56,275	49,297	150,914	
Occupancy	113,155	117,347	164,838	395,340	
Travel	22,705	20,030	9,423	52,158	
Conference and meetings	17,287	11,112	5,140	33,539	
Interest	1,025	1,063	1,493	3,581	
Subcontractors	1,611,076	406,123	256,718	2,273,917	
Insurance	8,163	10,451	11,891	30,505	
Marketing	90	251	95	436	
Testing operations	-	177,365	-	177,365	
Printing and other production expenses	697	454	638	1,789	
Depreciation and amortization	4,924	85,038	7,173	97,135	
	\$ 2,644,955	\$ 1,686,125	\$ 680,399	\$ 5,011,479	

See accompanying notes to consolidated financial statements.

COUNCIL FOR AID TO EDUCATION, INC.

Consolidated Statements of Functional Expenses  
Year Ended July 31, 2019

	Program Services			Supporting Services		
	Custom Assessments	Standard Assessments	Assessment International	CAE	AI	Total
Salaries	\$ 580,488	\$ 620,453	\$ 804	\$ 1,167,476	\$ 204,035	\$ 2,573,256
Employee Benefits	134,509	133,489	-	97,174	40,265	405,437
Payroll taxes	28,865	38,957	53	87,561	8,569	164,005
Professional fees	24,243	15,629	171	81,064	20,362	141,469
Office expenses	36,297	39,946	-	89,740	9,911	175,894
Occupancy	74,644	47,373	-	249,601	20,762	392,380
Travel	14,736	40,282	-	8,642	12,681	76,341
Conference and meetings	8,588	26,354	127	7,820	7,612	50,501
Subcontractors	1,621,652	79,494	2,175	109,776	383,153	2,196,250
Insurance	4,036	8,405	-	23,355	-	35,796
Marketing	526	1,530	-	204	2,845	5,105
Miscellaneous	1,161	787	-	3,884	322	6,154
Testing operations	3,924	517,585	-	-	-	521,509
Depreciation and amortization	2,655	76,632	-	8,878	739	88,904
	\$ 2,536,324	\$ 1,646,916	\$ 3,330	\$ 1,935,175	\$ 711,256	\$ 6,833,001

See accompanying notes to consolidated financial statements.

**COUNCIL FOR AID TO EDUCATION, INC.**

**Consolidated Statements of Cash Flows**  
**Years Ended July 31, 2020 and 2019**

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ (770,879)	\$ (873,793)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	97,135	88,904
(Increase) decrease in		
Accounts receivable	(668,959)	(422,554)
Contract receivable	47,160	436,775
Prepaid expense	38,015	2,477
Increase (decrease) in:		
Accounts payable and accrued expenses	212,643	205,169
Deferred revenue	(161,354)	498,663
Accrued lease expense	(46,956)	(36,994)
Net cash used in operating activities	(1,253,195)	(101,353)
Cash flows from investing activity:		
Purchases of property and equipment	(52,966)	(74,306)
Net cash used in investing activity	(52,966)	(74,306)
Cash flows from financing activity:		
Proceeds from Paycheck Protection Program loan	486,200	-
Net cash provided by financing activity	486,200	-
Net decrease in cash	(819,961)	(175,659)
Cash, beginning of year	1,464,182	1,639,841
Cash, end of year	\$ 644,221	\$ 1,464,182
Supplemental disclosure of cash flow information:		
Taxes paid	\$ -	\$ 11,775

See accompanying notes to consolidated financial statements.

**COUNCIL FOR AID TO EDUCATION, INC.**

**Notes to Consolidated Financial Statements**  
**July 31, 2020 and 2019**

---

**(1) Nature of Organization**

The Council for Aid to Education, Inc. (CAE) is a tax-exempt, nonprofit corporation that derives its financial support from contributions, grants and contracts, and the provision of services to educational institutions. CAE does not solicit or disburse funds for education. Its mission is to provide services and to conduct research to aid educational institutions.

The consolidated financial statements of CAE include the accounts of Assessment International LLC (AI), a Delaware Limited Liability Company wholly-owned by CAE. AI was organized for the planned purpose of conducting certain CAE-related activities that may become profit making in the future. All intercompany balances and transactions have been eliminated in consolidation. AI ceased operations as of July 31, 2019 and the Certificate of Cancellation was executed in the State of Delaware on November 31, 2019.

CAE's programs comprise of the following:

College and Career Readiness Assessments

CAE is a leader in developing performance-based, authentic assessments that measure students' strengths and opportunities for improvement in the essential college and career readiness skills most in demand by higher education institutions and employers - critical thinking, problem solving, and written communication.

Assessment Services

CAE provides a range of assessment services to ministries of education, major consortia, foundations, and leading higher education and secondary education institutions. Those services include designing customized performance-task assessment solutions that measure the constructs most important to students and educators.

Assessment International

Included test development services provided to for-profit companies and the use of CAE assessments by employers for recruiting purposes.

**COUNCIL FOR AID TO EDUCATION, INC.**

**Notes to Consolidated Financial Statements**  
**July 31, 2020 and 2019**

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**(2) Summary of Significant Accounting Policies**

*Basis of Accounting*

The consolidated financial statements of CAE have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require CAE to report information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions* - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of CAE's management and the Board of Directors.

*Net assets with donor restrictions* - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of CAE or by the passage of time. There were no net assets with donor restrictions for the years ended July 31, 2020 and 2019, respectively.

*Measure of Operations*

The consolidated statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to CAE's ongoing programs. Non-operating activities are limited to resources that generate return from other activities considered to be of a more unusual or nonrecurring nature.

*Accounts Receivable*

Accounts receivable are stated at net realizable value. There is no allowance for doubtful accounts based on the assessment of the current status of individual accounts. Management believes that all outstanding balances are collectible and an allowance for doubtful accounts is not required.

COUNCIL FOR AID TO EDUCATION, INC.

Notes to Consolidated Financial Statements  
July 31, 2020 and 2019

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(2) Summary of Significant Accounting Policies, Continued

*Adopted Accounting Pronouncement - Revenue Recognition*

As of August 1, 2019, CAE adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and, supersedes or replaces nearly all GAAP revenue recognition guidance. The standard establishes a new contract and control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, and expands disclosures about revenue. The standard has been applied on the modified-retrospective method using the cumulative effect method on contracts existing on August 1, 2019. As part of the adoption, CAE elected to follow the practical expedient of applying the standard only to contracts that were not completed as of August 1, 2019. There was no adjustment to opening net assets as of August 1, 2019 as a result of adopting the standard.

*Revenue Recognition*

CAE applies the five-step revenue model under Financial Accounting Standards Board (FASB) *Accounting Standards Codifications* (ASC) 606, *Revenue from Contracts with Customers* (Topic 606) to determine when revenue is earned and recognized. Topic 606 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. CAE recognizes revenue when it satisfies its performance obligations in accordance to Topic 606.

CAE has contracts with educational institutions to provide assessments and assessment services. Standard contracts carry a fixed price per test where revenue is recognized at the point in time which the service obligations have been fulfilled. CAE also negotiates custom contracts with customers. Revenue is recognized over the life of the contract based on either the output method, using milestones, or the input method, using labor hours and costs. Payment terms with customers are generally 30 days, or with certain contracts, customers advance funds. Deferred contract revenue represents amounts received in advance, where CAE will be required to fulfill the contractual obligation prior to amounts being recognized as revenue. Total deferred revenue at July 31, 2020 and 2019 was \$1,165,905 and \$1,327,259, respectively. Variable consideration is insignificant. The Organization does not have any significant financing component.

**COUNCIL FOR AID TO EDUCATION, INC.**

**Notes to Consolidated Financial Statements**  
**July 31, 2020 and 2019**

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**(2) Summary of Significant Accounting Policies, Continued**

*Revenue Recognition, Continued*

In the following table, revenue is presented by assessment type and timing of satisfaction of obligation for the year ended July 31, 2020:

Custom assessments (over time)	\$ 3,124,655
Standard assessments (point in time)	<u>1,111,933</u>
	<u>\$ 4,236,588</u>

*Contributions*

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

*Property and Equipment*

Acquisitions of equipment and furniture in excess of \$1,000 are capitalized. Equipment, furniture and leasehold improvements are stated at cost, net of accumulated depreciation. Management reviews furniture and equipment for impairment. Furniture and equipment are written off to operations when considered impaired. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Depreciable Lives</u>
Website development and license costs	3-5 years
Leasehold improvements	10 years
Equipment and furniture	5 years

**COUNCIL FOR AID TO EDUCATION, INC.**

**Notes to Consolidated Financial Statements**  
**July 31, 2020 and 2019**

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**(2) Summary of Significant Accounting Policies, Continued**

*Income Taxes*

CAE is an organization recognized as exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state statutes. No provision for income taxes has been reflected in the accompanying consolidated financial statements.

AI was a Delaware limited liability company that is wholly-owned by CAE. AI has elected to be treated as a taxable corporation for income tax purposes. As of July 31, 2019, AI had federal accumulated tax loss carryforward in the amount of \$1,380,000. Management expects to file a final return for fiscal year 2020 subsequent to the date of the accountants' report.

For the year ended July 31, 2020, CAE and AI did not identify any uncertain tax positions taken or expected to be taken, which would require adjustments or disclosure in the consolidated financial statements. Both CAE and AI are potentially subject to federal, state and local examinations for years subsequent to July 31, 2016.

*Concentration of Credit Risk*

Financial instruments that potentially expose CAE to a concentration of credit risk consist of cash and cash equivalents. CAE maintains cash balances at financial institutions which may exceed FDIC insurance limits. Management believes that it is not exposed to any significant credit risks on its cash accounts.

*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Functional Allocation of Expenses*

The costs of providing various programs and activities have been summarized on a functional basis in the consolidated statements of financial activities. Accordingly, certain personnel and other operating costs have been allocated among the programs and supporting services benefited.

Salaries and benefits, rent, and office expenses are allocated based on employees' time and effort spent on program or support activities. Other expenses, which are not identifiable by program or support services, are allocated based on the best estimates of management.



**COUNCIL FOR AID TO EDUCATION, INC.****Notes to Consolidated Financial Statements**  
**July 31, 2020 and 2019**

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**(2) Summary of Significant Accounting Policies, Continued***Reclassifications*

Certain items in the 2019 financial statements have been reclassified to conform to the current year presentation.

*Subsequent Events*

Subsequent events were evaluated by management through October 14, 2020, the date the financial statements were available to be issued.

**(3) Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statements of financial position date, comprise the following at July 31:

	2020	2019
Financial assets at year end:		
Cash	\$ 644,221	\$ 1,464,182
Accounts receivable	1,317,654	648,695
Contracts receivable	-	47,160
	<u>\$ 1,961,875</u>	<u>\$ 2,160,037</u>

CAE structures its financial assets to be available as its general expenditures, liabilities, and other obligation come due. CAE also has a \$500,000 line of credit available for cash needs (see Note 5).

**(4) Property and Equipment, Net**

Property and equipment, net, consist of the following at July 31:

	2020	2019
Website development and license costs	\$ 558,302	\$ 513,059
Leasehold improvements	45,415	45,415
Equipment and furniture	375,717	367,994
	<u>979,434</u>	<u>926,468</u>
Accumulated depreciation and amortization	(852,135)	(755,000)
	<u>\$ 127,299</u>	<u>\$ 171,468</u>

**COUNCIL FOR AID TO EDUCATION, INC.**

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**(4) Property and Equipment, Net, Continued**

For the years ended July 31, 2020 and 2019, depreciation expense totaled \$97,135 and \$88,904, respectively.

**(5) Line of Credit**

CAE has arranged a line of credit of \$500,000 with its bank. The line of credit bears interest at a rate equal to the greater of (i) the bank's prime rate or (ii) the Minimum Interest Rate plus in each case a margin of 1%. Minimum Interest Rate means two hundred basis points in excess of the rate of interest determined by the bank in accordance with its customary procedures and utilizing such electronic or other quotation sources as it considers appropriate to be the prevailing rate per annum in effect.

**(6) Paycheck Protection Program Loan**

In April 2020, CAE received a loan in the amount of \$486,200 from its primary lender pursuant to the Paycheck Protection Program (PPP) administered by the United States Small Business Administration (SBA) and authorized by the Keeping American Workers Employed and Paid Act, which is part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), enacted on March 27, 2020. The PPP was established to provide economic stimulus and funding to businesses affected by the COVID-19 pandemic (see Note 9). The PPP note is forgivable subject to CAE meeting specific requirements related to the use of the funds and good-faith certification requirements related to eligibility for the loan. In order to receive the forgiveness of the loan, CAE must submit a loan forgiveness application which will be subject to review and approval by the SBA. CAE expects to submit its loan forgiveness application subsequent to the accountants' report date.

Interest and principal on the loan are deferred until such time that CAE receives a decision from the SBA on its loan forgiveness application. If the loan is forgiven, CAE owes no interest or principal on the loan and it will record the amount as income in the period that it receives notice of forgiveness. Any amounts not forgiven bear interest at an annual rate of 1% and are due in equal monthly installments of principal and interest beginning December 2020 through May 2022. There can be no assurance that any portion of the loan will be forgiven pursuant to the terms of the PPP.

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**(6) Paycheck Protection Program Loan, Continued**

Future annual minimum principal payments on the loan are as follows:

Year Ending July 31,	Payments
2021	\$ 213,831
2022	272,369
	<u>\$ 486,200</u>

**(7) Lease Commitment**

CAE has entered into a lease for office space in New York City commencing August 10, 2012 and expiring February 9, 2023. Scheduled minimum annual base rental payments under the lease are as follows:

Year Ending July 31,	Payments
2021	\$ 418,625
2022	429,090
2023	219,909
	<u>\$ 1,067,624</u>

Because of the escalating rentals in later years of the lease, CAE accounts for base rent expense using a straight-line method over the term of the lease, resulting in an annual rent expense of approximately \$361,460 per year. Accrued lease expense at July 31, 2020 and 2019, was \$163,975 and \$210,931, respectively. Total rent expense was \$395,340 and \$392,380 for the years ended July 31, 2020 and 2019, respectively.

In lieu of a cash security deposit, CAE has executed an unconditional, irrevocable bank letter of credit in favor of the landlord in the amount of \$81,357 plus accumulated interest.

Subsequent to July 31, 2020, this interest was transferred to the landlord as a result of outstanding rent payments.

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**(8) Retirement Plan**

CAE's retirement plan provided for contributions to non-mandatory elective deferrals made by employees. The percentage of elective deferrals which CAE will match is at the sole discretion of CAE as it may determine from year to year. The amount, the allocation formula, and the percentage or dollar amount limit applicable to such match, if any, is at the complete and sole discretion of CAE and may vary from year to year. Any matching contributions will be allocated in a non-discriminatory proportional manner. Participant vesting in employer matching contributions (if any) is immediate. This plan was terminated effective December 31, 2019.

Effective February 1, 2020, CAE adopted a new defined contribution plan to match employee elective deferrals up to 4% of each employee's salary. Plan assets from the previous plan were transferred into this plan upon termination. Participant vesting in employer matching contributions is immediate.

CAE contributed \$41,634 and \$75,691 to the plan for the years ended July 31, 2020 and 2019, respectively.

**(9) Operations**

In December 2019, a novel strain of coronavirus disease (COVID-19) was first reported in Wuhan, China. Less than four months later, on March 11, 2020, the World Health Organization declared COVID-19 a pandemic. The extent of COVID-19's effect on CAE's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult considering the rapidly evolving landscape.

As the pandemic continues to evolve into a worldwide health crisis, the disease could have a material adverse effect on CAE's activities, results of operations, financial condition, and cash flow. However, management believes that the efforts undertaken in the last twelve months to right size CAE, and the fact that CAE's largest customer recently committed to procure services at a similar level as in the previous fiscal year, approximately \$3M, will put CAE in a stable position for the future. In addition, CAE recently signed a three year, \$3M contract with another client, starting in October 2020.